

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 76611 / December 10, 2015

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3725 / December 10, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16997

In the Matter of

JOSEPH E. MOHR, CPA

Respondent.

**ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 4C OF THE
SECURITIES EXCHANGE ACT OF 1934
AND RULE 102(e) OF THE
COMMISSION'S RULES OF PRACTICE,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that public administrative proceedings be, and hereby are, instituted against Joseph E. Mohr (“Respondent” or “Mohr”) pursuant to Section 4C¹ of the Securities Exchange Act of 1934 (“Exchange Act”) and Rules 102(e)(1)(ii) of the Commission’s Rules of Practice.²

¹ Section 4C provides, in relevant part, that:

The Commission may censure any person, or deny, temporarily or permanently, to any person the privilege of appearing or practicing before the Commission in any way, if that person is found . . . (1) not to possess the requisite qualifications to represent others . . . (2) to be lacking in character or integrity, or to have engaged in unethical or improper professional conduct; or (3) to have willfully violated, or willfully aided and abetted the violation of, any provision of the securities laws or the rules and regulations thereunder.

² Rule 102(e)(1)(ii) provides, in pertinent part, that:

The Commission may . . . deny, temporarily or permanently, the privilege of appearing or practicing before it . . . to any person who is found . . . to have engaged in unethical or improper professional conduct.

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Public Administrative Proceedings Pursuant to Section 4C of the Securities Exchange Act of 1934 and Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds³ that:

A. SUMMARY

From 2009 to 2012, Joseph Mohr performed engagement quality reviews in Florida for audits and interim reviews of public companies conducted by Messineo & Co., CPAs, LLC (“Messineo & Co.”). At the time Mohr performed this work, he was not a licensed or registered Certified Public Accountant (“CPA”) in Florida or in any state because he failed to renew his Illinois registration in 2009. Despite his lack of credentials, Mohr advertised himself as a “CPA” and used the abbreviation in his title and on his professional papers. Without a CPA license or registration, Mohr used the abbreviation “CPA” in violation of Florida law.

In 2012, Messineo & Co. issued audit reports and granted permission for its respective clients to use them without having received concurring approval from Mohr. To hide its transgressions of professional standards, Messineo & Co. asked Mohr to backdate the records of his reviews so that the records displayed dates prior to its issuance of the associated reports. Mohr agreed. For multiple issuers, Mohr backdated the records of his reviews.

By holding himself out as a Certified Public Accountant when he was not and by backdating documents to conceal violations of professional standards, Mohr engaged in improper professional conduct.

B. RESPONDENT

Joseph E. Mohr, age 49, resides in Spring Hill, Florida and is currently a visiting assistant professor at a Florida university. In 1988, Mohr passed the Illinois CPA exam. He did not, however, pursue a CPA license. Later, in 2007, he became a “registered” CPA in Illinois. Mohr’s registration expired on September 30, 2009. From 2009 to 2012, Mohr performed

³ The findings herein are made pursuant to Respondent’s Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

engagement quality reviews (“EQRs”) for Messineo & Co. At the time, Mohr lived and worked in Florida, but was not licensed as a Certified Public Accountant (“CPA”) in Florida or in any other state. In addition, Mohr has been a self-employed consultant specializing in the areas of business and finance and has served as Chief Financial Officer (“CFO”) or acting or interim CFO for ten or more companies. Most recently in 2014, Mohr served as acting CFO for a Florida metal-working company and from 2010 to 2013 served as CFO for a Florida-headquartered oil and gas firm.

C. OTHER RELEVANT PARTIES

Messineo & Co., CPAs, LLC (“Messineo & Co.”) is registered with the Public Company Accounting Oversight Board (“PCAOB”) as a public accounting firm based in Clearwater, Florida. The limited liability company operated as a sole proprietorship under the name Peter Messineo, CPA from 2009 until December 17, 2012, when it effectively merged with Drake & Klein, CPAs PA to form DKM Certified Public Accountants, Inc. (“DKM”). Peter Messineo separated from DKM in April 2013 and began operating Messineo & Co. again, but under its present name and form. During 2012, it performed audit services for over 70 clients, but only had one partner -- sole owner Peter Messineo -- authorized to sign or issue audit reports. From 2009 - 2012, Messineo & Co. paid Mohr to perform EQRs for its public company audit clients.

D. MOHR FALSELY REPRESENTED HIMSELF AS A CERTIFIED PUBLIC ACCOUNTANT

1. In 1988, Mohr passed the Illinois CPA exam. Mohr, however, did not pursue a CPA license. Later, on April 5, 2007, he became a “registered” CPA under Illinois law. Mohr failed to renew his registration and it expired on September 30, 2009. Mohr never received his CPA license in Illinois, which would have permitted him to sign audits and reviews.
2. Mohr has never held a CPA license or registration from any other jurisdiction. Mohr has not taken any continuing education courses for accounting within the last 10 years.
3. After his CPA registration expired in 2009, Mohr continued to use the abbreviation “CPA” after his name and as part of his title in correspondence, invoices, and in connection with his work as an independent contractor. Mohr used the moniker “Joseph E. Mohr, CPA, MBA, Finance” to describe himself and his credentials.
4. When performing EQRs for Messineo & Co. from October 2009 through December 2012, Mohr continued to advertise himself as a CPA.

E. BACKDATING DOCUMENTS

5. In 2012, Mohr performed EQRs for Messineo & Co. for its audits and interim reviews. To document Mohr’s EQRs in compliance with auditing standards, Messineo & Co.

used a “Concurring Review Questionnaire,” otherwise known as a “Form 4.2,” in connection with each audit. See PCAOB Auditing Standard No. 7 (“AS 7”).

6. After completing an EQR, Mohr was supposed to answer the questions on the Concurring Review Questionnaire and then sign and date the Questionnaire. The date on the form was to indicate when Mohr provided concurring approval of the issuance of the audit report. *See* AS 7.
7. Mohr then emailed the signed forms to Messineo & Co. where the executed Concurring Review Questionnaires were included within the firm’s audit files. *See* PCAOB Auditing Standard No. 3 (“AS 3”) & AS 7.
8. In August 2012, Messineo & Co. began to conduct a review of its audit files to identify any deficiencies and identified different engagements for which either:
 - i. it was missing a Concurring Review Questionnaire signed by Mohr; or
 - ii. the signed Concurring Review Questionnaire was dated after the audit report had been issued by Messineo & Co., indicating that Messineo & Co. had issued the audit report prior to Mohr’s completion of his EQR.
9. As a result, Messineo & Co. personnel requested Mohr backdate his signature on Concurring Review Questionnaires for public company audit clients. Mohr complied. He knowingly misrepresented the dates that he completed the respective EQRs for at least three issuers.
10. Messineo & Co. personnel then inserted the backdated forms into its audit files, including into files which were putatively “locked-down” because the audit report had been issued more than 45 days previously. *See* PCAOB AS 3.

F. MOHR’S USE OF THE ABBREVIATION “CPA” FROM OCTOBER 2009 THROUGH 2012 VIOLATED FLORIDA STATE LAW BECAUSE HE LACKED A LICENSE AS A CERTIFIED PUBLIC ACCOUNTANT.

11. Florida statute Section 473.322 (*Prohibitions; Penalties*) makes it a criminal violation for a person to knowingly assume or use:

the titles or designations “certified public accountant” or “public accountant” or the abbreviation “C.P.A.” or any other title, designation, words, letters, abbreviations, sign, card, or device tending to indicate that the person holds a license to practice public accounting under this chapter or the laws of any other state, territory, or foreign jurisdiction, unless the person holds an active license under this chapter or has the practice privileges pursuant to s. 473.3141;

12. As discussed above, Mohr fraudulently continued to use the abbreviation “CPA” in connection with his concurring reviews and his contracting work for several years after his registration from Illinois terminated on September 30, 2009.
13. Accordingly, Mohr engaged in improper professional conduct.

G. MOHR’S BACKDATING OF DOCUMENTS VIOLATES PCAOB STANDARDS.

14. PCAOB Auditing Standard No. 7 (Engagement Quality Review) enumerates the standards for an EQR or concurring review. AS 7 requires an EQR to be performed for every audit and interim review. See PCAOB AS 7.1.
15. For both audits and interim reviews, AS 7 prohibits the firm from granting permission to the client to use the engagement report until the engagement quality reviewer provides concurring approval of issuance. See PCAOB AS 7.13 & AS 7.18.
16. AS 7 requires that “an engagement quality reviewer must have competence, independence, integrity, and objectivity.” See PCAOB AS 7.14.
17. AS 7 requires that documentation of an EQR should “contain sufficient information to enable an experienced auditor, having no previous connection with the engagement, to understand the procedures performed by the engagement quality reviewer...to comply with the provisions of this standard, including information that identifies:

* * *

c. The date the engagement quality reviewer provided concurring approval of issuance or, if no concurring approval of issuance was provided, the reasons for not providing the approval.”

See PCAOB AS 7.19.

18. AS 7 also states that “[d]ocumentation of an engagement quality review should be included in the engagement documentation” and that “[t]he requirements related to retention of and subsequent changes to audit documentation in PCAOB Auditing Standard No. 3, Audit Documentation, apply with respect to the documentation of the engagement quality review.” See PCAOB AS 7.20 & AS 7.21.
19. PCAOB AU 230 (*Due Professional Care in the Performance of Work*) “requires the independent auditor to plan and perform his or her work with due professional care. Due professional care imposes a responsibility upon each professional within an independent auditor's organization to observe the standards of field work and reporting.” See PCAOB AU 230.02.
20. Mohr violated AS 7 and AU 230 when he performed EQRs after the respective audit report was issued and backdated his signature on the Concurring Review

Questionnaires (Form 4.2s) -- at Messineo & Co.'s request -- to a date before the issuance of the audit report.

H. VIOLATIONS

21. As a result of the conduct described above, Mohr engaged in improper professional conduct as defined in Rule 102(e)(1)(iv) of the Commission's Rules of Practice, in that Mohr violated applicable professional standards or committed repeated instances of unreasonable negligent conduct each resulting in a violation of applicable professional standards that indicate a lack of competence to practice before the Commission.

I. FINDINGS

22. Based on the foregoing, the Commission finds that Mohr engaged in improper professional conduct pursuant to Section 4C(a)(2) of the Exchange Act and Rule 102(e)(1)(ii) of the Commission's Rules of Practice.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent Mohr's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

- A. Mohr is denied the privilege of appearing or practicing before the Commission as an accountant. After 4 years from the date of this order, Mohr may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as an accountant.

By the Commission.

Brent J. Fields
Secretary